GLOBAL SUMMARY LCD – Lessons from the Field (FY 2011)

The following summary highlights lessons learned during the early stages of USAID's Local Capacity Development efforts. Words of wisdom come from regional hubs and individual Missions as they explore ways to address this mandate from USAID Forward. Data was gathered from USAID Peru, East Africa (Kenya, Burundi, Somalia, Tanzania, and Democratic Republic of the Congo), Southern Africa (South Africa, Malawi, Namibia, Zambia, Zimbabwe, Angola, and Madagascar), Mozambique, Senegal, Sierra Leone, Ghana and the Philippines.

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I.   Lessons learned:

A. Use of Fixed Obligation Grants (FOGs)

- **FOGs** are working well. The efforts at the front end to establish milestones/benchmarks are worthwhile, as making payments when milestones are reached is less labor intensive. [Egypt]
- FOGs sufficient safeguards to mitigate risk while providing a simpler way to work with partners on small programs. [Southern Africa]

- FOGs are used heavily for small grants, and even for larger grants that lend themselves to the mechanism due to the ability to establish milestones [Peru].
- Milestones for FOGs can include building the capacity of governments and NGOs. [Sierra Leone, supported by USAID/Senegal]
- Although the FOG is an important LCD tool, it is not the only option for funding local organizations. It is important to determine the right vehicle for the situation and organization. More guidance on the full range of mechanisms to fund local organizations would be welcome. [East Africa]

B. Mainstreaming LCD in the Program Cycle

- LCD team has integrated LCD into the procurement process, through including LCD/OCA in the **Activity Approval Document Checklist.** [Senegal]
- LCD has been integrated into the CDCS, using the strategy to advance both the use of host country systems and increase the number of direct local partners. [Senegal]

C. Capacity Development – Approaches, Content, and Impact

- Capacity development is incorporated under the Development Grants Program by recommending that grantees include a line item in their budget to procure needed training and support. [Philippines]
- Increasing direct awards to local organizations does not necessarily build capacity. [East Africa]
- Developing the capacity of local organizations through sub-awards or targeted capacity development activities can be equally effective as direct awards. Take advantage of non-local partners ability to develop capacity by incorporating LCD as an ongoing requirement of their implementing mechanism. [Peru]
- Local universities can be a strong ally in capacity development, and may also offer consulting services, which other local organizations can access. [Peru]
- Include transfer of knowledge, skills and abilities that aid local capacity development as a deliverable under their contracts, not simply as desired results. [Peru]
- Training needs to be targeted to various levels of capacity. [Mozambique]
- Local organizations need particular capacity development support for financial management, human resource systems, and monitoring and evaluation. [Peru]
- CSO capacity development should: 1) Strengthen what exists; 2) Define weaknesses and how to address them; 3) Streamline USAID processes; and 4) Use existing partners to develop local capacity. [Peru]
- There are differences between institutional capacity building and staff capacity building, especially given the high level of movement of individuals between organization and positions.[East Africa]
- Building the capacity of local organizations to work within USAID's rules and regulations has helped prepare those organizations to work with other donors. [Senegal]

II. Promising practices

A. Ensuring Accessibility

- The OCA is most useful and better understood when translated into local language; materials **translated** into local languages help ensure accessibility to large numbers of NGOs; some Missions are providing "potential" NGOs with **local language self-assessment** OCA. [Senegal/French; Egypt/Arabic]
- Provide financial and progress reporting templates and allow local partners to submit those in the local language. [Egypt]

- Develop a **reporting handbook** in English and local language that clearly lays out yearly reporting requirements and procedures. [Mozambique]

   B. Enhancing Communication

- Provide written feedback to local partners for each report they submit. [Mozambique]
- Hold post award meetings with both the winning and losing organizations to discuss merits, weaknesses and gaps and how the organizations can strengthen their proposals for future opportunities. [Mozambique]

   C. Developing Capacity

- Build the capacity of local umbrella organizations and networks to build the capacity of smaller organizations. [Multiple Missions]
- Integrate Capacity Development across the Mission's portfolio. [Southern Africa]

III.   Mission-specific tools

   A. Assessing and Developing Capacity

- **Survey instruments** to gauge local NGO experience and knowledge of working with USAID. [Philippines and Southern Africa]
- **Civil Society Organization (CSO) mapping exercise** to determine sectors, strength and weaknesses, and determine how many are working in country. [Senegal]
- The Regional Acquisition and Assistance officer in Southern Africa has arranged for personnel from USAID Malawi to give a previously developed training on local firms complying with USAID policies to USAID/Namibia—an initial step toward developing a **Regional Compliance Guide** [Southern Africa, Malawi, and Namibia]
- Regional Financial Management Office (RFMO), Regional Contracting Office (RCO) and Regional legal advisor conducted a two day **training for local NGOs on management of USAID Funds,** and expects to hold the training on a bi-monthly basis or according to demand. [Peru]

   B. Advancing USAID IPR Management Goals and Capturing lessons Learned

- **IPR guidance** for FtF and GHI project implementation and procurement. [Senegal]
- **Skills Matrix** of internal USAID expertise for support in conducting OCA. [Senegal]
- **One-pager** on **the Fixed Obligation Grant** for distribution to current and potential clients. [East Africa]
- **Local capacity development brief.** [Philippines]
- Assignments made at each team meeting, with a **timeline/Gant chart** to lay out key steps/targets for objectives 1 and 2. [Peru]
- **Database of civil society assistance programs** funded by USAID with analysis of lessons learned (30 years of data). [Egypt - database created]

IV.   Approaches to uncovering potential local partners:

- Issued an RFP limited to local organizations for a Civil Society Organization strengthening contract. [Philippines]
- Issuing Cooperative Agreements to Civil Society Organizations working in the environment sector. [Philippines]
- Mission plans to post RFI (requests for information) on their website as another source of information. [Senegal]
- Solicitation for DGP concept papers announced in national and regional websites, newspapers and private sector entities. [East Africa]

V. Establishing and staffing an LCD team and other support:

A. Promoting Mission Commitment

- Mission buy-in is vital to establishing credibility and authority of the LCD team (some individuals can obstruct change if they are not driving the process); keep individuals in the Mission who are NOT supportive of LCD work informed (through general staff meetings, reports, feedback sessions, etc.); Mission staff have LCD work objectives included in their performance plans. [Mozambique, Senegal and Egypt]
- LCD action plan approved by both mission management and technical teams; develop a Mission strategy for LCD; establish specific targets for budget and projects using local organizations; incorporate specific deliverables into the conclusion of all LCD team meetings; one of the major goals of the LCD Team is to mainstream and make the LCD approach systematic; team retreats have been useful to overcome major issues, obtain commitment related to long-term assignments, and move toward closure on implementation of the LCD strategy. [Peru and Southern Africa]

B. Staffing, Training, and Tracking Work

- LCD team (one supervisor and two analysts who deal directly with evaluation and capacity development) within the Financial Management office. [Ghana]
- LCD tam comprises four junior DLI staff, four senior FSNs, one support staff, and the deputy director is team leader (Mission anticipates that DLIs will eventually devote full time to LCD). [East Africa]
- Selected a team leader and an alternate for a one year term (with two USDHs as mentors); also created four committees (Obj. 1, Obj. 2, communications, and mapping). [Senegal]
- Full-time LCD coordinator will be needed. [Philippines]
- Missions are seeking approval and funding for additional FSNs to provide direct support to local organizations as part of LCD. [Senegal, Mozambique, East Africa]
- Employing FSNs to be embedded with partners in field locations and host country governments (serving as advisors on technical aspects of project implementation). [Senegal]
- Conducting all LCD **Mapping** exercises through LCD Team. [Ghana]
- Modified the **Blanket Purchase Agreement** with local audit firms to conduct the Local Organization Pre-award Survey. (Egypt)
- Invite FSNs to participate in all monthly meetings, and fully in IPR teams, in order to take advantage of their institutional knowledge, and experience with local civil society and private sector. [Mentioned by several Missions]
- Provide financial management training to all local partners (USG staff and contracted assistance). [Mozambique]

- Make assignments at each team meeting, with a **timeline/Gant chart** to lay out key steps/targets for objectives 1 and 2. [Peru]

VI. Outreach efforts:

- Holding meetings with groups of NGOs to discuss how to work with USAID; workshops to inform/train organizations about USAID rules and regulations; providing day-long grant training for selected NGOs as well as Peace Corps Volunteers; provide Mission-led workshops and information sessions (for implementing partners). [East Africa]
- A Mission's website can be used to distribute promising practices, LCD information for local organizations and promoting funding opportunities. [Senegal]
- Requested and received a list of registered NGOs from the Ministry of the Interior (with information missing for many of them) to support LCD Mapping exercise [Senegal].
- Supporting the establishment of a private sector foundation wherein local and international private firms can pool their resources to meet the needs of the education sector (the contributors can thus address the government with one voice). [Senegal]
- Chairing and participating actively in donor groups, as well as conducting outreach to other donors to learn more about their experiences in capacity development, and work with local organizations, and drafting to share those experiences. [Senegal, Southern Africa]
- Completed outreach to current partners and prominent non-partner local organizations, with surveys were tailored for the following groups: 1. Non-partners; 2. Prime Partners; 3. Sub-recipients; 4. Umbrella Grant Mechanism (UGM) Partners; 5. UGM sub-recipients; and 6. Graduates (former sub now prime-recipients), and producing papers based on feedback from outreach to propose policy changes needed to make USAID agreements easier for local organizations. [Southern Africa]
- Presented at the Africa Mission Directors Conference in December 2010 to provide information on who they are, and how they can support LCD implementation. [Southern Africa]
- USAID/Peru's LCD team has membership from USAID/Ecuador and Bolivia; Peru has encouraged a South American regional NGO (NESsT) focused on local capacity development to reach out to USAID/Washington about the possibility of developing regional LCD activities. [Peru, Ecuador and Bolivia]

VII. Challenges:

- Competing priorities (PfG, CDCS, ongoing program management and support. [All Missions]
- Meetings on LCD can easily be side-tracked by philosophical discussions, and need to focus on practical solutions. [Peru]
- Mission's request for additional FSN staff to support priority initiatives delayed; delays in assignment of DLIs impacts a Mission's ability to implement LCD. [Philippines]
- Greater financial resources are needed for USG staff to travel to the field; more intense and frequent contact is needed to ensure that activities occur as planned. [Mozambique]
- Mapping and Local Organization Pre-award Survey increases staff workload. [Most missions]
- For local organizations, the need to meet all of USAID's requirements and delays in receiving funding for a project can be debilitating. [Senegal, Philippines, Mozambique]
- USAID business practices continue to complicate work with local organizations; reforms such as a blanket delegation of authority to missions allowing deviation from Standard Assistance Provisions, could facilitate greater use of local organizations. [Mozambique]

- Coaching inexperienced award applicants carries a large management burden; technical offices are concerned about the increase in administrative burden and a perceived increase in risk. [Most Missions]
- Creating closer programming and policy links between Obj. 1 and Obj.2 at USAID/W. [Several Missions]
- Missions should ensure that all relevant USG development assistance is fully reflected in the host country's national budget (this does not mean that USG funds are necessarily channeled through host government systems]. [Mozambique]

LCD team leaders:

East Africa (Kenya, Burundi, Somalia, Tanzania, Democratic Republic of the Congo): Lisa McGregor-Mirghani (LCD Team Lead)

West Africa: Stephen Ike (Accra/WA/RFMO)

Southern Africa (South Africa, Malawi, Namibia, Zambia, Zimbabwe, Angola, Madagascar): Martin Fischer (Pretoria/ROAA)

Mozambique: Christian Smith (Maputo/PO)

Peru: Sonila Hysi (Peru/RCO)

Philippines: Yohannes Araya (Philippines/FMO) and Sally McElrath (Philippines/ORP)

Senegal: James Redder (Dakar/OFM) and Beatrice Conde Deverson (Dakar/OFM)

Cairo: Jeff Goebel (Cairo/DG) and Clinton white (Cairo/FM)